



STATE BOARD OF EQUALIZATION
PROPERTY AND SPECIAL TAXES DEPARTMENT
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No. 2004/040

July 6, 2004

TO COUNTY ASSESSORS:

DISABLED VETERANS' EXEMPTION INCOME LEVEL FOR 2005

Revenue and Taxation Code section 205.5 provides that the household income limit for the disabled veterans' exemption shall be compounded annually by an inflation factor. Specifically, subdivision (g) of section 205.5 provides that, for each assessment year commencing on January 1, 2002, the inflation factor shall be the annual percentage change, measured from February to February of the two previous assessment years, rounded to the nearest one-thousandth of 1 percent, in the California Consumer Price Index (CCPI) for all items, as determined by the California Department of Industrial Relations.

Information from the Department of Industrial Relations shows that the CCPI increased from 190.5 in February 2003 to 193.1 in February 2004. Rounded to the nearest one-thousandth of 1 percent, this is an increase of 1.365 percent. Applied to the 2004 household income limit of \$44,302, this inflation factor results in a **2005** household income limit of **\$44,907**.

Following is a list of the household income limits for prior years:

Lien Date	CCPI % Change	Income Limit
2004	3.476%	\$44,302
2003	2.392%	\$42,814
2002	4.535%	\$41,814
2001	---	\$40,000

The disabled veterans' exemption forms (BOE-261-G and BOE-261-GNT) have been updated and mailed with the other Board-prescribed forms (see LTA 2004/034). Please call our Exemptions Unit at (916) 445-3524 if you have any questions.

Sincerely,

/s/ David J. Gau

David J. Gau
Deputy Director
Property and Special Taxes Department

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